



# News Release

Attorney General Robert E. Cooper, Jr.

**FOR IMMEDIATE RELEASE**

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## **TENNESSEE ATTORNEY GENERAL WINS DECEPTIVE TRADE PRACTICES LAWSUIT AGAINST NASHVILLE ELECTRONICS SELLER CONSUMER DEPOT**

Thousands of consumers in Tennessee and across the country are one step closer to obtaining potential refunds after buying electronic goods online from a computer seller and liquidator who according to a court ruling misrepresented its products.

A Davidson County Circuit Court judge sided with the State of Tennessee in a consumer protection case against Nashville-based Consumer Depot, LLC, and its owners and operators Martin Fike, Carol Fike, Michael Hinds, and related entity Auction Logistix, LLC ("Consumer Depot"). Consumers complained the company, located at 3332 Powell Ave., misled them about its products and that the company refused to resolve complaints or give refunds.

Davidson County Circuit Court Judge Amanda McClendon agreed with the Attorney General that the company had violated the Consumer Protection Act. In a ruling dated Jan. 4, 2010, Judge McClendon stated that "the State's evidence is compelling and undisputed. The State has submitted over thirty consumer affidavits describing first-hand accounts of actual deception [by Consumer Depot], including first-hand accounts of actual deception, including misrepresentations about defendants' products, misleading return procedures, lack of customer service, and retaliation."

The State of Tennessee filed suit in 2006, after area complaint handling entities, including the Division of Consumer Affairs and the Better Business Bureau, reported receiving hundreds of consumer complaints about Consumer Depot's business practices. The State added owners Martin and Carol Fike, manager Michael Hinds and related entity Auction Logistix, LLC to the lawsuit in 2007, after finding evidence they all actively participated in Consumer Depot's deceptive business conduct.

"Businesses that cheat the public through false and deceptive advertising have no business in Tennessee," said Attorney General Cooper. "Not only do such unlawful tactics harm consumers across the country, but they also tarnish the reputations of all honest Tennessee businesses that play by the rules."

"We are extremely pleased with this ruling," said Mary Clement, Director of the Division of Consumer Affairs. "We are dedicated to helping consumers any way we can and this court decision confirms that in the end, justice will prevail."

Further proceedings to set a permanent injunction and establish civil penalties, restitution and attorneys' fees, are expected to take place in the near future. The State estimates some 21,000 consumers will be affected by the ruling.

Consumer Depot and its owners and operators have done business under the following names (as well as others): Consumer Depot, Bargain Depot, Factory Dealz, Return Dealz, Surplus Dealz, bargaindepot04, Ubid-It, techgraveyard, surplusdealz05, swdiscounters, Mr-Appliance, Music-n-DVDs and Ubid-TN-01.

Consumers who believe they may have been harmed by Consumer Depot's business practices, or who have complaints about any consumer matter should go online at <http://www.state.tn.us/consumer> or call the Division of Consumer Affairs at 615-741-4737 or toll-free in Tennessee at 1-800-342-8385.

The court's memorandum can be found on the Attorney General's website at: <http://www.tn.gov/attorneygeneral/cases/consumerdepot/consumerdepot.html>